

Appendix A:
Storm Warnings in 2016 and 2017

Date	Source	Storm Warning	Ex.
January 3, 2016	The Philadelphia Inquirer, <i>Insulin Price Shock</i> , D. Sell.	“[Insulin] has soared in price in the last few years ... PBMs and insurers create formularies, lists of drugs they will cover and at what price to the patient. Secret negotiations with drugmakers are a big part of deciding what is on the list, and, if a manufacturer is willing to accept less, competing products are excluded. Savings are not necessarily passed on to the client, much less the patient. And changes to the list don't always reach patients.”	32
January 29, 2016	The Philadelphia Inquirer, <i>Patients Shocked as Insulin Prices Climb Higher</i> , D. Sell.	“Secret negotiations with drugmakers are a big part of deciding what is on the [formulary], and, if a manufacturer is willing to accept less, competing products are excluded. Savings are not necessarily passed on to the client, much less the patient. And changes to the list don't always reach patients.”	33
February 21, 2016	New York Times, <i>Break Up the Insulin Racket</i> , K. Lipska.	“[T]he big three [manufacturers] have simultaneously hiked their prices ... The hitch is that the biggest P.B.M.s are out to make a buck. They get ‘rebates’ from drug manufacturers -- payments based on sales or other criteria, which look suspiciously similar to kickbacks. The rebates are not publicly disclosed, but they are sizable. Industry analysts estimate that those payments, and other back-room deals, amount to as much as 50 percent of the list price of insulin ... [My patient] is responsible for co-payments on her insulin. But every year, by early fall, she typically reaches a coverage gap (known as the doughnut hole) when she becomes responsible for paying for insulin out of pocket. So [she] skimps on her medicine, allowing her blood sugar to rise to worrisome levels.”	7

Date	Source	Storm Warning	Ex.
February 22, 2016	Healthline, <i>The High Cost of Insulin (And a Plea to Lilly)</i> , M. Hoskins.	Quoting Lilly spokesperson: "There is a wide and growing discrepancy between the published 'list price' Lilly sets and the 'net price' that Lilly actually receives. The list price (also known as the wholesale acquisition cost or WAC) is the price that a manufacturer sets as a starting point for negotiations with federal and state governments, private insurers, and pharmacy benefit managers to gain formulary access. Manufacturers also use list price in negotiations with wholesalers and others involved in the distribution process. The amount the manufacturer receives after all discounts and rebates are applied is considerably less than the list price. For example, the net price for Humalog – our most commonly used insulin – increased by 4 percent over the five-year period of 2009 to 2014, which is a much smaller increase than what some consumers have experienced."	12
March 2016	Diabetes Forecast, <i>The Rising Cost of Insulin - Why the Price of This Lifesaving Drug Is Reaching New Heights</i> , A. Tsai.	"The cost of a vial of insulin starts with the pharmaceutical company and how it sets a price for insulin or any other drug ... Eli Lilly spokesman Greg Kueterman agrees. 'Importantly, the list price—typically the center of the price discussion—is not what manufacturers receive,' he says. 'Rather, it is a starting point for negotiations.' Negotiations are confidential and occur between the pharmaceutical companies and middlemen ... [PBMs] take a cut of the profit from the negotiations, so they may mark up the drug or may not pass along deep price cuts to their customers."	34
April 5, 2016	JAMA, <i>Expenditures and Prices of Antihyperglycemic Medications in the United States: 2002-2013</i> , X. Hua.	"Based on a nationally representative survey, the mean price of insulin increased from \$4.34 per milliliter in 2002 to \$12.92 in 2013."	35

Date	Source	Storm Warning	Ex.
April 5, 2016	PBS News, <i>What's Behind Skyrocketing Insulin Prices?</i> , E. Silverman.	"[T]he cost of insulin more than tripled — from \$231 to \$736 a year per patient — between 2002 and 2013, according to a new analysis ... Meanwhile, some doctors say diabetic patients, who are typically 60 years old or more, have difficulty paying for drugs, especially those who have trouble once they hit the donut hole in the Medicare Part D program and have to cover costs themselves ... But the Pharmaceutical Research and Manufacturers of America argued that focusing on list prices 'misrepresents' reality. The industry trade group maintained that wholesale prices generally do not correspond to net prices — what companies, unions, and government agencies pay — because drug makers offer rebates. The group cited an analysis by SSR Health that net prices declined last year."	8
April 5, 2016	Time, <i>Lifesaving Diabetes Drug Price Tripled in 10 Years</i> , A. Sifferlin.	"Since 2010, the cost of spending on insulin per person is higher than spending on all other diabetes drugs ... The dramatic increase in the cost of insulin in the United States may deny some people access to a life-saving therapy."	36
April 5, 2016	Science Daily, <i>Sugar Shock: Insulin Costs Tripled In 10 Years, Study Finds</i> .	"In the United States, the more than 3-fold increase in the cost of insulin over the past decade is alarming. It is a burden to both patients and payers and may deny some people access to a lifesaving therapy."	37
April 5, 2016	STAT News, <i>Insulin Prices Have Skyrocketed, Putting Drug Makers on The Defensive</i> , E. Silverman.	"Here's a sticking point for diabetics: the cost of insulin more than tripled— from \$231 to \$736 a year per patient — between 2002 and 2013 ... There are people with type 1 diabetes who will die without insulin. And while there have been incremental benefits in insulin products, prices have been rising. So there are people who can't afford them. It's a real problem ... High costs can lead to reduced compliance, but more importantly the cost-effectiveness of high cost therapies[.]"	38
April 6, 2016	NEJM, <i>Cost of Insulin Has Nearly Tripled</i> , K. Young.	"The price of insulin nearly tripled over the course of a decade, according to a JAMA research letter ... In 2002, each patient spent an estimated \$231 for insulin, and by 2013, this amount increased to \$736[.]"	39

Date	Source	Storm Warning	Ex.
June 29, 2016	Bloomberg, <i>Decoding Big Pharma's Secret Drug Pricing Practices</i> , R. Langreth.	"Discounts vary dramatically, depending on disease type and how much competition exists. Take Humalog, the popular, short-acting insulin made by Eli Lilly & Co. Its big list price increases were wiped out by ever-bigger discounts. Humalog faces competition from a very similar drug: Novolog, from Novo Nordisk A/S. Benefit managers have been playing one company against the other to get cheaper prices."	40
August 2, 2016	Boston Globe, <i>We Should Expect More of Drug Middlemen</i> , E. Silverman.	"[I]n contracts with drug makers, a PBM may classify a rebate it has negotiated as a type of fee, allowing the PBM to keep it, rather than pass it on to the client ... The PBMs play a labeling game ... So the clients have no idea how much money they are leaving on the table."	9
August 24, 2016	Slate, <i>Good Lord. Even the Price of Insulin Is Skyrocketing</i> , J. Weissmann.	"[Drugmakers] offer big discounts, so list prices don't necessarily reflect what people and companies are paying on the market, etc. ... Faced with high costs, many patients seem to be skipping or rationing shots of a hormone they are required to take multiple times a day in order to stay alive, keep from going blind, or lose a foot to amputation."	41
August 25, 2016	CBS News, <i>Soaring Insulin Prices Have Diabetics Feeling the Pain</i> , A. Picchi.	"[L]ist prices misrepresent what patients actually pay because insurers and pharmacy benefit managers negotiate discounts ... There have been numerous accounts of individuals who are simply unable to afford this lifesaving medication and as a consequence have gone without, risked using an expired product, or resorted to uncertain (but less expensive) treatments."	10
September 15, 2016	Business Insider, <i>Rising Insulin Prices Are Taking a Toll on Parents of Kids with Type 1 Diabetes</i> , L. Pflanzer.	"[I]nstead of driving prices down, the competitors appear to increase prices step-by-step (which is why the charts above look like a staircase), something that's referred to as 'shadow pricing.' ... [B]ecause of aggressive discounting and rebates to insurance plans, PBMs, and government programs, the net prices of Lantus over the cumulative period of the last five years actually went down[.]"	42

Date	Source	Storm Warning	Ex.
September 17, 2016	Business Insider, <i>There's Something Odd About the Way Insulin Prices Change</i> , L. Pflanzer.	“But what makes the rise in insulin prices different than many other old drugs that have drawn scrutiny over prices, is that there is competition for insulin ... Despite this competition, prices have steadily climbed over the past decade, taking single or double-digit list price increases in a year ... As for why the price has gone up so much, regardless of the similarities? The companies offer a number of explanations — including that rebates and other offsets mean that the income to the company is actually declining[.]”	43
October 5, 2016	HeraldNet, <i>Here's Why Patients Pay \$600 For Drugs That Cost \$300</i> , R. Langreth.	“No one balks when insurers get rebate checks after they actually paid for a drug. But, increasingly, Americans are forced to pay for medication out of their own pockets — at least for part of the year ... As Congress excoriates drugmakers for increasing the price of even old drugs by as much as 5,000 percent, this rebate practice undercuts the industry’s argument that its discounts shield consumers from high list prices.”	44
October 7, 2016	The Wall Street Journal, <i>Insulin Prices Soar While Drugmakers' Share Stays Flat</i> , D. Roland & P. Loftus.	“The price increases—top-selling insulins have more than doubled in price since 2011—reflect the growing role of middlemen known as pharmacy-benefit managers who negotiate rebates and fees based on list prices ... Higher drug list prices mean those patients most exposed to the price increases pay more before their plan coverage kicks in ... The reason drugmakers sharply raise list prices without a corresponding increase in net price is that PBMs demand higher rebates in exchange for including the drug on their preferred-drug lists.”	1
October 14, 2016	STAT News, <i>The Insulin Market Is Heading for A Shakeup. But Patients May Not Benefit</i> , R. Robbins. Also published by PBS News (Oct. 16, 2016).	“Drug makers have said they don’t collude on pricing in advance, but move to match their competitors’ price hikes. They point out that the net price—how much revenue they get from each sale—has been rising fairly modestly ... The list price has been going up more steeply, in part because the middlemen who stand between the manufacturer and the patient—such as pharmacy benefits managers—demand ever-larger rebates.”	45

Date	Source	Storm Warning	Ex.
October 31, 2016	Washington Post, <i>Why Treating Diabetes Keeps Getting More Expensive</i> , C. Johnson. Also published under the title: <i>For Insulin Users, The Price of Wellness Can Be High</i> .	“Drug companies have long argued that list prices are fiction ... There's growing evidence patients are shouldering more of the cost of their drugs. Still, drug companies do not always realize the profit from the rising list price on insulin ... As the price increases [] drugmakers often give deeper rebates to pharmacy benefit managers ... That's led to a situation in which the list price for Humalog has increased about 150 percent since 2009 - but the net price of the drug after rebates has been flat[.]”	11
November 1, 2016	IndyStar, <i>Bernie Sanders' Tweets Send Lilly Shares Tumbling</i> , J. Briggs.	Quoting Sanders: “For instance, while the list price for Humalog has gone up, Lilly actually receives a lower average net price now than in 2009.”	46
November 2, 2016	NBC News, <i>Is Insulin the New EpiPen? Families Facing Sticker Shock Over 400 Percent Price Hike</i> , B. Popken.	“Only three major companies make insulin in the U.S. and each has steadily ratcheted up prices, sometimes in lockstep. Since 2004, the manufacturer list price for insulin, known as wholesale acquisition cost, is up by triple digits ... [Drugmakers] also point the finger at pharmacy benefit managers (PBMs) for negotiating larger rebates for insurers, which they say forces them to raise prices.”	47
November 3, 2016	Sen. Bernie Sanders & Hon. Elijah Cummings Letter to DOJ and FTC on Insulin Pricing.	“Instead of falling prices, as one might expect after decades of competition, three drugmakers who make different versions of insulin have continuously raised prices on this life-saving medication. In numerous instances price increases have reportedly mirrored one another precisely. This is an issue of tremendous national significance ... We are concerned that the potential coordination by these drugmakers may not simply be a case of ‘shadow pricing,’ but may indicate possible collusion, and we believe this egregious behavior warrants a thorough investigation.”	2

Date	Source	Storm Warning	Ex.
November 3, 2016	Washington Post, <i>Bernie Sanders Wants the Feds to Investigate These Drug Companies for Possible Price Collusion</i> , C. Johnson.	“Matching prices alone don't mean that anything illegal is happening, but at the very least it suggests that competition in the market isn't working the way most people expect — to bring prices down. The drugmakers have argued that they are raising the prices to increase the rebates given to companies that bargain for drug prices on behalf of insurers. Eli Lilly, Novo Nordisk and Sanofi, the three companies that dominate the insulin market, all said there was no collusion in insulin pricing ... Drug companies have argued that the similar increases are actually a sign of competition, because raising the price allows the company to raise the rebates — and that once one drug company raises the price (and the rebate), others must follow suit.”	13
November 4, 2016	PBS News, <i>Bernie Sanders Requests Federal Investigation of Insulin Makers for Price Collusion</i> , E. Silverman.	“[T]he lawmakers pointed to 13 instances in which the prices of Sanofi and Novo Nordisk insulin brands rose in lockstep. They said Lilly did the same. The practice is known as shadow pricing and was first reported by Bloomberg News ... Their missive reflects concerns that competition is failing to lower prices. Drug makers in general argue that they have to raise prices in order to give substantial rebates to pharmacy benefit managers, which are the middleman that negotiate with health plans.”	14
November 7, 2016	Managed Healthcare, <i>Insulin Makers Accused of Price Collusion</i> .	“[T]he three manufacturers denied the claims. ‘We strongly disagree with the accusations in the letter. The insulin market in the US is highly competitive,’ wrote a spokesman for Eli Lilly, which sells Humalog and Humilin, STAT reported. The spokesman also said the drugs’ net price has not increased since 2009 and pointed to the ‘complex reimbursement designs,’ which place ‘an unfair burden on people with diabetes.’”	48
November 16, 2016	9News, <i>Drug Makers Double Insulin Prices Since 2012</i> , D. Leigh.	“There are many examples that we know of patients ending up very sick in the hospital because they couldn't afford their insulin ... Insulin has no generic option to keep prices down, and only three companies make it: Novo Nordisk, Eli Lilly, and Sanofi ... each time one drug maker increased prices, the others often followed suit leaving consumers no low-cost options.”	49

Date	Source	Storm Warning	Ex.
November 16, 2016	Bloomberg, <i>Novo Expects 'Soul Searching' as Sanders Targets Insulin Makers</i> , J. Paton.	“While list prices are increasing, the amount Novo takes home is ‘following the consumer index,’ said Sorensen ... ‘So the large growth is all being returned to insurance companies and PBMs,’ he said. ‘How large a percentage comes to the patients? I don’t know. All we can see is we are paying bigger and bigger and bigger rebates.’ The pricing system ‘isn’t really fitted for the needs of the patients[.]’”	50
November 17, 2016	ADA, <i>American Diabetes Association Issues Resolution and Launches Petition Calling for Access to Affordable Insulin</i> .	“The Association is also calling on Congress to hold hearings with all entities in the insulin supply chain to identify the reasons for the dramatic increases in insulin prices and to take action to ensure affordable access to insulin for all who need it ... the cost of insulin nearly tripled between 2002 and 2013. The high cost of insulin is also impacting people with diabetes—some are forced to ration their insulin.”	51
November 17, 2016	Politico, <i>Diabetes Group Calls for Congressional Hearings on Insulin Pricing</i> , S. Karlin-Smith.	“Today's action by the ADA, along with adopting a resolution and distributing a petition that calls for increased transparency in the insulin supply chain, is an unusual move for a patient advocacy group ... ADA said diabetes patients are being forced to ration their insulin, increasing their risk of life-threatening complications or going without other basic necessities to afford the drug.”	52
November 18, 2016	Washington Post, <i>American Diabetes Association Calls on Congress to Hold Hearings on Insulin Prices</i> , C. Johnson.	“In a resolution, the board asked politicians to examine the entire supply chain for insulin, ranging from the three drug companies that dominate the market to health insurers and the companies they hire to bargain for drug prices.”	53
November 21, 2016	Investor's Business Daily, <i>A Sick Calculation About Prescription Drugs</i> , P. Pitts.	“Insulin list prices are going up, but net prices — the money drug firms actually receive — are falling sharply ... PBMs coerce pharmaceutical companies into offering substantial discounts and rebates. The problem is that, in practice, PBMs rarely pass the rebates they wrench away from drug companies along to pharmacies, insurers or patients. PBMs instead hoard the cash ... many patients give up and stop taking the medications ... Grimly, nonadherence causes 125,000 deaths every year.”	54

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November 29, 2016	CBS News, <i>Insulin Prices Skyrocket, Putting Many Diabetics in A Bind</i> , S. Gordon. Also published by Medical Express (Nov. 29, 2016).	“The list price of insulin — and other drugs, too — is what the pharmaceutical companies say their product costs. However, insurance companies and pharmacy benefit managers, who administer prescription drug programs for private and government insurers, don’t pay that price. They negotiate discounts. But for people who don’t have insurance or those with high-deductible health insurance plans who haven’t yet met the deductible, that list price may be what they’re stuck paying.”	55
December 6, 2016	The Wall Street Journal, <i>Novo Nordisk Pledges to Limit Price Increase in U.S. for Its Drugs</i> , D. Roland.	“List prices tend not to reflect the actual price paid because pharmaceutical companies offer discounts to pharmacy-benefit managers who negotiate drug prices on behalf of insurers and employers ... That means that although Novo Nordisk and other rival insulin makers Sanofi SA and Eli Lilly Co. have sharply boosted list prices in recent years, the amount they receive for the medicines after discounts, or the net price, has risen more gradually ... [Novo] admitted that some patients were disadvantaged by the way in which drug prices were set.”	56
December 13, 2016	Washington Post, <i>After Years of Price Hikes, Eli Lilly Announces a Discount on Insulin</i> , C. Johnson.	“Lilly has argued that despite list price increases, the rebates it grants have washed out the effect of price increases since 2009. The companies have also taken the opportunity to highlight the convoluted system of middlemen and reimbursement systems that help determine how much a drug costs for insurers and patients ... [with] a wave of criticism by politicians, drug companies have shown growing impatience with the system, as it has become clear that some patients are being directly affected by list prices.”	57
December 13, 2016	The Wall Street Journal, <i>Eli Lilly Offers Discount for Insulin as Prices Soar</i> , P. Loftus & J. Jamerson.	“List prices for many brand-name versions of insulin have risen sharply in recent years, a problem that has particularly hit patients who pay much of the expense out of pocket ... Former presidential candidate Sen. Bernie Sanders has asked the Justice Department and the Federal Trade Commission to investigate price increases for insulin, and has solicited stories from patients about the impact ... Drugmakers say the PBM-rebate system encourages high list prices and steep behind-the-scenes discounts. Uninsured patients or those with high-deductible health-insurance plans pay the full list price or a relatively high percentage of the cost.”	58

Date	Source	Storm Warning	Ex.
December 20, 2016	Los Angeles Times, <i>Insulin Price Hikes Aren't Sweet</i> , D. Lazarus.	"Instead of falling prices, as one might expect after decades of competition, three drugmakers who make different versions of insulin have continuously raised prices on this lifesaving medication ... [Novo] argued that list prices for insulin are deceptive, with customer rebates and negotiations with insurers and pharmacy benefit managers lowering the final price ... However, [it] acknowledged that growth in high-deductible insurance plans has exposed more people with diabetes to full prices for insulin."	59
January 30, 2017	First consumer suit filed in D. Mass. Transferred to D.N.J. on February 2, 2017. <i>See Chaires v. Novo Nordisk Inc.</i> , No. 3:17-cv-00699 (D.N.J. Feb. 2, 2017).	"As compensation for their role as negotiator, the PBMs pocket a percentage of the difference between the reported benchmark price and the undisclosed real price they secure. This difference is known as the 'spread.' As the spread between benchmark and real price widens, so too do the PBMs' cut. PBMs do not disclose this spread because they do not want the public to know their profit margins on medications. The Defendant drug companies do not disclose this spread because they do not want the public to realize that their benchmark prices are wildly inflated."	60
January 30, 2017	New York Times, <i>Drug Makers Accused of Fixing Prices on Insulin</i> , K. Thomas. Also published under the title: <i>Three Drug Makers Are Accused of Conspiring to Raise Insulin Prices</i> (Jan. 31, 2017).	"[T]he drug manufacturers end up setting two prices for their drugs — the higher list price and the lower, secret, 'real' price that insurers pay. The lawsuit claims that rather than competing with one another to offer a lower, 'real' price to the insurers, the drug makers are vying to offer the best payment to the pharmacy benefit manager, which is why they have been raising the list price."	15
January 30, 2017	Business Insider, <i>The Makers of Insulin Are Being Accused Of Price-Fixing In A Class-Action Lawsuit</i> , L. Pflanzer.	"The complaint filed in the US District Court of Massachusetts details examples of patients who pay \$900 a month for the drug, as well as people who induced diabetic ketoacidosis — a potentially fatal condition ... Drugmakers pay rebates out to pharmacy benefits managers and insurance companies, and those rebates are increasing in part just so the companies can ensure their drug is kept on the list of approved drugs for a certain treatment ... Once those rebates are factored in, drug companies get something called the net price, which can often tell a different story from the routine price increases."	16

Date	Source	Storm Warning	Ex.
January 30, 2017	Washington Post, <i>Diabetes Patients Sue Insulin Makers for 'Pricing Fraud'</i> , C. Johnson.	"Insulin companies acknowledge that list prices have risen but argue that net prices — the amount drug companies are paid after rebates — haven't budged ... Rising drug list prices have become a major issue for the biopharmaceutical industry, as various pricing controversies triggered by list-price hikes have flared into Congressional hearings and scrutiny over the past year and a half ... The lawsuit describes how pharmacy benefit managers that negotiate on drug prices for insurers play a role in the alleged scheme by telling the public the rebates were saving patients and insurers money, even when they know rebates weren't lowering the real price of the insulin."	17
January 31, 2017	Boston Globe, <i>Lawsuit Alleges Collusion Over Insulin Pricing</i> , E. Silverman.	"The lawsuit charges, though, that the drug makers have offered the three largest benefit managers ... larger rebates as a "quid pro quo for patient business." And to compensate for the rebates, the drugmaker kept raising list prices. This alleged "arms race," the lawsuit contends, has saddled individuals living with diabetes, regardless of their insurance coverage, with "crushing out-of-pocket expenses."	18
February 5, 2017	Sacramento Bee, <i>Diabetes Has Become One of America's Most Expensive Diseases</i> , C. Buck.	"Over the past 20 years, the price of human insulin produced by two major manufacturers - Eli Lilly and Novo Nordisk - rose 450 percent ... [C]ompetition has not lowered the annual list price of these lifesaving drugs ... Pharmacy benefit managers, who negotiate with drug companies on behalf of health plans, set prices that aren't disclosed. So what people pay depends heavily on how well their insurance provider negotiated."	61
February 22, 2017	CBS, <i>More Than Twenty-Nine Million Americans Live with Diabetes Every Day</i> , G. King & A. Werner.	"Federal lawsuit accuses the three insulin manufacturers of conspiring to raise their prices. ... Vermont's Senator Bernie Sanders is calling for a federal investigation, alleging collusion among the three drug companies: Eli Lilly, Novo Nordisk and Sanofi ... [A]lthough the drug companies list prices are up ... 'net prices,' have gone up just two to three percent overall ... that's because [PBMs] negotiate for rebates from drug companies, take a fee, then pass those lower net prices on to insurance companies and, ultimately, consumers. The problem [] is patients who have high deductibles or little or no insurance don't get those discounted prices."	62

Date	Source	Storm Warning	Ex.
March 3, 2017	See, e.g., Sanofi Form 20-F 2016.	Minnesota Attorney General served a civil investigative demand on Lilly, Novo, and Sanofi.	19
May 15, 2017	Business Insider, <i>Insulin Prices Increased in 2017</i> , L. Pflanzer.	"[T]he list price of a medication doesn't always tell the entire story. While drugmakers set their list prices, there are a number of middlemen who get a piece of a drug's sale — in particular, pharmacy benefit managers, or companies that negotiate rebates from drug companies ... once those rebates are factored in, drug companies get something called the net price, which can often tell a different story from the routine price increases."	63
June 11, 2017	Pittsburgh Post-Gazette, <i>Rising Cost of Insulin Just One Hurdle for Seniors with Disabilities</i> , S. Twedt. Also published by Dayton Daily News (Aug. 7, 2017).	"[Insulin] nearly tripled in price from 2002 to 2013.... There's also the emergence of high-deductible insurance plans, shifting more of the cost of care to patients, plus formularies that may change which insulin brands covered at a lower cost ... Then there's the 'doughnut hole,' a gap in Part D prescription coverage between the end of the basic benefit until the beneficiary's costs reach the threshold when catastrophic coverage kicks in for the rest of the year ... Nick Radovich, 68, [] said he has already used up his basic benefit this year, so he's 'skimping' on the pills and his insulin dosages."	64
June 23, 2017	Washington Post, <i>Lawmakers Scrutinize Cost of Insulin</i> , C. Johnson.	"Two lawmakers from opposite sides of the aisle have teamed up to ask three powerful health-care industries to explain the rising cost of insulin ... [Drugmakers] often point out that the list prices aren't really the price anyone pays, because of rebates negotiated in secret. ... While insulin list prices may have soared, their profits from the drugs haven't kept pace because of ever bigger rebates being negotiated by [PBMs] ... some insurers and employers have questioned whether the rebates [] are really being passed on to them"	65

Date	Source	Storm Warning	Ex.
June 25, 2017	Washington Post, <i>Insulin Costs Too Much for Many of My Patients. It Shouldn't</i> , D. Tridgell.	“A lawsuit filed in January accuses pharmaceutical companies of price collusion for allegedly raising insulin prices repeatedly and in lockstep to match their competitors ... PBMs negotiate which drugs are on an insurance company's formulary [and] can receive a ‘rebate’ from pharmaceutical companies [which] result in inflated list prices that the insurer never pays ... If Congress were truly serious about addressing access to lifesaving medication, it would ... investigate those rebates and how and why PBMs and manufacturers raise prices.”	66
June 29, 2017	Bloomberg, <i>The Crazy Math Behind Drug Prices</i> , P. Barrett & R. Langreth.	“There are two prices for most brand-name drugs: the higher list price, which is public, and the lower after-rebate ‘net price,’ which is confidential. After agreeing to give rebates, drugmakers often raise their list prices to make up some of the lost revenue ... Even though health plans benefit from the rebates under the system, higher list prices still matter, because many patients continue to pay list, or full, price.”	67
June 29, 2017	Des Moines Register, <i>Prices of Insulin Have Tripled, Attracting Attention of Congress</i> .	“[T]wo Washington lawmakers ... have teamed up to ask three powerful health care industries to explain the rising cost of insulin ... Drugmakers argue the list prices are not the price paid, because rebates are negotiated by pharmacy benefit managers, who work on behalf of insurers. Insurers and employers question whether the rebates are passed on to them. Meanwhile, insurers may strike secret deals with pharmaceutical companies to exclude competitors, which can leave patients paying more for an insulin they've used for decades.”	68
July 3, 2017	Minneapolis Star Tribune, <i>Diabetes Costs Skyrocket as Crisis Looms</i> , G. Howatt.	“In the case of insulin, quite apart from the financial burden, the stunning price increase has forced some diabetics into practices that can place their lives at risk and has left many doctors across the state worrying about their patients' health ... Insulin [has] seen price increases far beyond the rising cost of production... A lawsuit filed in federal court in Massachusetts earlier this year alleged collusion among the three major insulin makers, noting that their list prices have climbed in near lockstep. The companies say that's not true and are challenging the charge in court.”	69

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July 21, 2017	Business Monitor Online, <i>Congressional Scrutiny of Insulin Producers Highlight Growing Price Oversight Push.</i>	“US Senator Amy Klobuchar (D-MN) has sent letters to the CEOs of Eli Lilly, Sanofi and Novo Nordisk, in which she has called for action to help people with diabetes afford insulin and asked for an explanation of what the senator has termed ‘extreme price increases’... Even absent coordination, raising list price appears to be a way to avoid competition by shifting the cost of insulin to patients.”	70
August 8, 2017	See, e.g., CVS Form 10-Q.	The Washington, Florida, and California Attorneys General served insulin pricing civil investigative demands on Lilly, Novo, and Sanofi.	20
September 13, 2017	USA Today, <i>Insulin Prices Crisis on Diabetics; Those Whose Lives Depend on Drug Struggle to Pay for It</i> , S. Rudavsky.	“Officials from Eli Lilly ... [stated] ‘When you take a look at our prices, our list prices have gone up, but our net realized prices have gone down.’ ... [patients] start insulin rationing, which can be dangerous ... Why has the list price risen? One of the biggest drivers is that they started playing this rebate game. (Pharmacy benefit managers) are not negotiating for lowest price, they’re negotiating for the rebate.”	71
September 18, 2017	Newsday, <i>Rising Cost of Insulin Leads LI Diabetics to Take Dangerous Risks</i> , D. Ricks.	“Insulin costs have risen so high that ... [p]atients are coming into hospital emergency rooms sick because they didn’t take enough insulin, or took none at all, with some being admitted to critical care units ... Many faced stark economic choices: Their insulin or food. Their insulin or shelter ... Two class-action lawsuits alleging price collusion were filed earlier this year, one in Massachusetts and the other in New Jersey, against [Lilly and Novo] as well as pharmaceutical giant Sanofi-Aventis ... All of the companies have denied the allegations and have said they will mount a vigorous defense.”	72
October 2, 2017	Newsday, <i>Insulin Illustrates Health Care Woes; The Rising Price of a Basic Medication Shows Why We Need Smarter Regulation.</i>	“Today, Americans with diabetes are being devastated by prices that have more than tripled since 2002 ... Some skip the medicine, opting to pay rent instead. Some halve their doses. And some end up in the emergency room, losing vision or a leg, and needing tens or hundreds of thousands of dollars in care ... [Lilly and Novo], along with drugmaker Sanofi-Aventis, face class action lawsuits in Massachusetts and New Jersey that claim price collusion ... U.S. insurers that cover these medicines get huge ‘rebates’ from manufacturers. Another way of saying this is that the uninsured pay fictitiously inflated prices because they get no such rebates.”	73

Date	Source	Storm Warning	Ex.
October 17, 2017	U.S. Senate Health, Education, Labor, and Pensions Committee Hearing, Testimony of Lori M. Reilly.	“Due to the growing gap between list and net prices, patients’ cost sharing for medicines is increasingly based on prices that do not reflect plan sponsors’ actual costs. For example, market analysts report that negotiated discounts and rebates can lower the net price of insulin by up to 50% to 70%, yet health plans require patients with deductibles to pay the full undiscounted price.”	74
October 28, 2017	NBC News, <i>Several Probes Target Insulin Drug Pricing</i> , S. Jane Tribble.	“Attorneys general in Washington, Minnesota and New Mexico issued civil investigative demands this year and are sharing information with Florida and California, according to various corporate financial filings ... The price of insulin – a lifesaving drug – has reached record highs as Eli Lilly, Novo Nordisk and Sanofi raised prices more than 240 percent over the past decade to often over \$300 a vial today, with price rises frequently in lockstep.”	75
November 8, 2017	Federal Trade Commission Transcript, <i>Understanding Competition in Prescription Drug Markets: Entry and Supply Chain Dynamic Workshop</i> .	“If you take the example of the insulin market, [] which is frequently the target of criticism for list price growth, the publicly reported average rebates in that market now are approaching 70%. And so, for patients, that could make a very large difference ... [m]any PBM contracts allow PBMs to essentially relabel rebates. So these rebate amounts are reclassified as formulary management or data management fees.”	31
November 13, 2017	Washington Post, <i>Trump’s Pick to Lower Drug Prices Is a Former Pharma Executive Who Raised Them</i> , C. Johnson.	“Lilly, along with other insulin makers, was hit by a class-action lawsuit alleging overpricing of insulin earlier this year...But Lilly executives have repeatedly said the net prices, the amount the company reaps after it provides rebates to companies called pharmacy benefit managers that negotiate on behalf of insurers, has been essentially flatThe complexity of pharmaceutical pricing — where list prices are typically a starting point for the negotiation of secret rebates— has thwarted legislation to lower drug prices, although Congress has held a number of high-profile hearings on the issue.”	76

Date	Source	Storm Warning	Ex.
December 15, 2017	FDA Week, <i>Left with Unanswered Questions, [Energy & Commerce] Might Hold Another Rx-Price Hearing.</i>	“Insulin prices became the example of rising drug prices on which lawmakers based their questions for a segment of the hearing ... net prices haven't increased nearly as much as the list price, and drug companies increased list prices because pharmacy benefit managers demand higher prices in order to negotiate bigger rebates ... Hiking prices is a way for drug makers to avoid lowering net prices while providing pharmacy benefit managers large rebates that keep drugs well placed on formularies.”	77